

To the Members of the California State Assembly:

I am returning Assembly Bill 1622 without my signature.

This bill is intended to help small businesses by mandating the terms and conditions of contracts between contractors and subcontractors. However, it is likely to have the opposite effect. By statutorily directing the contents of private sector construction contracts, it is probable that contractors will hire only large subcontractors which have solid work histories and are fully bonded.

This bill unnecessarily intrudes into private business practices and has the potential to ultimately harm those it is intended to help. For these reasons I cannot support this measure.

Sincerely,

Arnold Schwarzenegger